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GOLD BULLION RECEIVES POSITIVE PRELIMINARY ECONOMIC ASSESSMENT FOR GRANADA, PROCEEDING TO PRELIMINARY FEASIBILITY STUDY

December 21, 2012 – Gold Bullion Development Corp. (TSX.V: GBB) (OTCPINK: GBBFF) (the "Company" or "Gold Bullion") is pleased to announce the first economic estimates for its Granada gold property located on the prolific Cadillac trend in northwestern Quebec, 5 km south of the city of Rouyn-Noranda. The proposed combination of an open pit and underground operation has the potential to move Gold Bullion into gold production at the approximate rate of 102,000 ounces of gold per year.

The Preliminary Economic Assessment (PEA) was prepared by SGS Canada Inc. - SGS Geostat business unit. The PEA is based on the measured, indicated and inferred gold resource estimation provided by SGS Geostat that was press released on November 15th 2012 in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects as defined by "NI 43-101" regulations. PEA highlights are summarized below:

Assumptions	
Gold Price (US$/oz) - 3 years trailing average	1,470
Canadian $ to US$ rate	1.0:1.0
Mineral Resources (recovered ounces)	
Underground Resources (1)	387,000
Open pit Resources (2)	739,000
Mine Parameters	
Mill feed coming from underground mine (tonnes per day)	1,000
Mill feed coming from open-pit mine (tonnes per day)	6,500
Combined mill feed (tonnes per day)	7,500
Mine plan tonnage (tonnes)	26,400,000
Underground Mine plan mill feed grade (grams/tonne)	3.51
Open-pit Mine plan mill feed grade (grams/tonne)	1.07
Open-pit waste-to-ore ratio	5.91
Estimated gold recovery (%)	94.10
Total gold recovered (ounces)	1,126,000
Pre-production period (years)	2.00
Mine life (years)	11.00

Average annual gold production (ounces)	102,000

Costs

Pre-production capital ($)	259,000,000
Average Underground cash cost per ounce (US$/oz)	1,205
Average Open-pit cash cost per ounce (US$/oz)	985

Financial Return

Payback from start of production (years)	6.80
Internal Rate of Return (before tax)	10.4%
Net present value, pre tax, 5.5% discount ($ disc.)	74,300,000

(All dollar figures expressed in Canadian dollars, except where indicated)

	Resource category	Tonnes	Grade (g/t)
U/G(1)	Measured	18,000	2.79
	Indicated	1,018,000	3.74
	Inferred	2,635,000	3.42
Open-pit(2)	Measured	20,485,000	1.05
	Indicated	2,178,000	1.27
	Inferred	112,000	0.78

Note: The above chart is presenting the resource as diluted material, mineral resources that are not mineral reserves and do not have demonstrated economic viability.

At the prevailing gold price on December 19th, 2012 of US$1,650 per ounce and a Canadian to U.S. dollar exchange rate of 1.00, Gold Bullion has determined that the pre-tax NPV increases to $217.8 million at a 5.50% discount rate while pre-tax IRR increases to 18.8% with payback time reduced to 4.8 years (using the same mine plan).

The study was prepared as a stand-alone project, relating solely to the mineral resources deposit at Granada, and accordingly does not take into account the previously outlined potential at depth disclosed on November 26th, 2012 since it is not mineral resources. Additional work is therefore required to convert the portion of potential into mineral resources.

The Scoping Study mentioned herein is a preliminary evaluation inclusive of inferred mineral resources that are too geologically speculative to infer economical considerations that would classify them into mineral reserves. It is therefore uncertain that this preliminary evaluation results in the expected outcome.

The complete technical report will be filed on the Company's website (www.GoldBullionDevelopmentCorp.com) and on SEDAR (www.sedar.com) in the next 45 days.

“We are very pleased to release the Preliminary Economic Assessment study on the Granada gold deposit” stated Frank J. Basa, P. Eng., President and Chief Executive Officer. “Due to the dedication and diligence of Gold Bullion's technical team and consultants, we have been able to deliver this study within just four years of developing the property and are proud to see Gold Bullion progress as a potential emerging producer of gold in the near term, creating shareholder value through successful exploration and development while continuing to seek out other worthwhile opportunities for growth.”

The delivery of the Scoping (PEA) Study completes the first stage of Gold Bullion's Continuous Development Program at Granada, aimed at advancing the Granada Project to commercial production, by demonstrating an economic, environmental and social gain, while simultaneously mitigating the technical, financial, and environmental risks of the Project.

As mineral resources could be affected by permitting and social acceptance issues, Gold Bullion plans to hold meetings with various stakeholder groups prior to the completion of the Pre-Feasibility Study and will either be incorporating those views and recommendations into the study or retaining as recommendations to be addressed in the possible final Feasibility Study.

Claude Duplessis, Eng., Gaston Gagnon, Eng. and Jonathan Gagné, Eng. are acting as the qualified persons (QP) for Gold Bullion Development Corp. in compliance with National Instrument 43-101 and have reviewed the technical contents of this press release.

About Gold Bullion Development Corp.

Gold Bullion Development Corp. is a TSX Venture-listed junior natural resource company focusing on the exploration and development of its Granada Property near Rouyn-Noranda, Québec. Additional information on the Company’s Granada gold property is available by visiting the website at www.GoldBullionDevelopmentCorp.com and on SEDAR.com.

“Frank J. Basa”

Frank J. Basa, P.Eng.
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